

uninterrupted flow of all or part of the production process. "Storage" also does not include aging natural cheese.

***b0348/P1.1*SECTION 1278h.** 70.11 (27) (a) 7. of the statutes is amended to read:

70.11 (27) (a) 7. "Used directly" means used so as to cause a physical or chemical change in raw materials or to cause a movement of raw materials, work in process or finished products, including aging natural cheese."

***b0065/P1.1*619.** Page 633, line 14: delete lines 14 to 23 and substitute:

"70.111 (18) ~~SOLAR AND WIND ENERGY~~ ENERGY SYSTEMS. Solar Biogas or synthetic gas energy systems, solar energy systems, and wind energy systems. In this subsection, "biogas or synthetic gas energy system" means equipment which directly converts biomass, as defined under section 45K (c) (3) of the Internal Revenue Code, as interpreted by the Internal Revenue Service, into biogas or synthetic gas, equipment which generates electricity, heat, or compressed natural gas exclusively from biogas or synthetic gas, equipment which is used exclusively for the direct transfer or storage of biomass, biogas, or synthetic gas, and any structure used exclusively to shelter or operate such equipment, or the portion of any structure used in part to shelter or operate such equipment that is allocable to such use, if all such equipment, and any such structure, is located at the same site, and includes manure, substrate, and other feedstock collection and delivery systems, pumping and processing equipment, gasifiers and digester tanks, biogas and synthetic gas cleaning and compression equipment, fiber separation and drying equipment, and heat recovery equipment, but does not include equipment or components that are present as part of a conventional energy system. In this subsection, "synthetic gas"

1 is a gas that qualifies as a renewable resource under s. 196.378 (1) (h) 1. h. In this
2 subsection, “solar energy system” means equipment which”.

3 ***b0294/P1.1*620.** Page 634, line 5: after that line insert:

4 **“*b0294/P1.1*SECTION 1279d.** 70.114 (1) (b) 2. of the statutes is amended to
5 read:

6 70.114 (1) (b) 2. For land purchased on or after July 1, 2011, “estimated value,”
7 for the year during which land is purchased, means the lesser of the purchase price
8 or the determination of the land’s equalized valuation under s. 70.57 in the year
9 before the year during which the land is purchased, increased or decreased to reflect
10 the annual percentage change in the equalized valuation of all property, excluding
11 improvements, in the taxation district, as determined by comparing the most recent
12 determination of equalized valuation under s. 70.57 for that property, except that if
13 the land was exempt from taxation in the year prior to the year during which the
14 Department purchased the land, or enrolled in the forest cropland program under
15 subch. I of ch. 77 or the managed forest land program under subch. VI of ch. 77 at the
16 time of purchase, “estimated value,” for the year during which the land is purchased
17 means the lesser of ~~either the purchase price; or the land’s equalized valuation under~~
18 ~~s. 70.57~~ or an amount that would result in a payment under sub. (4) that is equal to
19 \$10 per acre, ~~whichever is greater.~~ “Estimated value,” for later years, means the
20 value that was used for calculating the aid payment under this section for the prior
21 year increased or decreased to reflect the annual percentage change in the equalized
22 valuation of all property, excluding improvements, in the taxation district, as
23 determined by comparing the most recent determination of equalized valuation

1 under s. 70.57 for that property to the next preceding determination of equalized
2 valuation under s. 70.57 for that property.”.

3 ***b0001/P6.6*621.** Page 634, line 24: delete the material beginning with “an”
4 and ending with “s. 70.58” on page 635, line 1, and substitute “the state’s
5 proportionate share of the tax that would be levied on the parcel if it were taxable”.

****NOTE: This language is intended to properly implement the original
instructions and has been vetted by Erin Probst at LFB.

6 ***b0060/P1.1*622.** Page 635, line 3: delete lines 3 to 14.

7 ***b0007/P2.1*623.** Page 635, line 16: after that line insert:

8 **“*b0007/P2.1*SECTION 1287d.** 70.41 of the statutes is repealed.”.

9 ***b0094/P2.2*624.** Page 635, line 16: after that line insert:

10 **“*b0094/P2.2*SECTION 1287d.** 70.855 of the statutes is created to read:

11 **70.855 State assessment of commercial property. (1) APPLICABILITY.** The
12 department of revenue shall assess real and personal property assessed as
13 commercial property under s. 70.32 (2) (a) 2. if all of the following apply:

14 (a) The property owner and the governing body of the municipality where the
15 property is located submit a written request to the department on or before March
16 1 of the year of the assessment to have the department assess the property owner’s
17 real and personal commercial property located in the municipality.

18 (b) The written request submitted under par. (a) specifies the items of personal
19 property and parcels of real property for the department’s assessment.

20 (c) The assessed value of the property owner’s commercial property in the
21 municipality in the previous year, as specified under par. (b), is at least \$24,000,000.

1 (d) The assessed value of the property owner's commercial property in the
2 municipality in the previous year, as specified under par. (b), represents at least 9
3 percent of the total assessed value of all property in the municipality.

4 (e) The property is located in a 4th class city.

5 **(2) VALUATION.** (a) The department of revenue shall determine the full market
6 value of the property subject to the request under sub. (1). The department may
7 request from the property owner or the municipality where the property is located
8 any information that the department considers necessary to perform its duties under
9 this section. Failure to submit the requested information to the department shall
10 result in denial of any right of redetermination by the tax appeals commission by the
11 party failing to provide the requested information.

12 (b) The department shall determine the value of the property subject to the
13 request under sub. (1) no later than June 1 and shall provide written notice to the
14 property owner and the governing body of the municipality of its findings and the
15 value it has determined for the affected property.

16 (c) Appeal of the determination of the department under this subsection shall
17 be made to the tax appeals commission.

18 **(3) ASSESSOR DUTY.** The assessor of the municipality where the property is
19 located shall use the department's valuation of the property under sub. (2) for
20 determining the property's value on the assessment roll, adjusted, to the best of the
21 assessor's ability, to reflect the assessment ratio of other property located in the
22 municipality.

23 **(4) COSTS.** (a) The department of revenue shall impose a fee on each
24 municipality in which commercial property is assessed under this section equal to
25 the cost of the department's assessment of that property under this section. Except

1 as provided in par. (b), each municipality that is assessed a fee under this paragraph
2 shall collect the amount of the fee as a special charge against the taxable property
3 located in the municipality, except that no municipality may apply the special charge
4 disproportionately to owners of commercial property relative to owners of other
5 property.

6 (b) If the department of revenue does not receive the fee imposed on a
7 municipality under par. (a) by March 31 of the year following the department's
8 determination under sub. (2) (b), the department shall reduce the distribution made
9 to the municipality under s. 79.02 (2) (b) by the amount of the fee and shall transfer
10 that amount to the appropriation under s. 20.566 (2) (ga).".

11 ***b0348/P1.2*625.** Page 635, line 16: after that line insert:

12 ****b0348/P1.2*SECTION 1287g.** 70.995 (3) of the statutes is renumbered 70.995
13 (3) (a).

14 ***b0348/P1.2*SECTION 1287h.** 70.995 (3) (b) of the statutes is created to read:

15 70.995 (3) (b) For purposes of sub. (2) (c), entities that age natural cheese on
16 behalf of others are considered establishments that primarily manufacture cheese
17 under code 2022 of the Standard Industrial Classification Manual, 1987 edition,
18 published by the U.S. office of management and budget, regardless of whether the
19 entity that ages the natural cheese made or owns the cheese. For purposes of this
20 paragraph, the process of aging natural cheese includes the aging, curing, or
21 ripening of natural cheese.".

22 ***b0361/P2.1*626.** Page 635, line 16: after that line insert:

23 ****b0361/P2.1*SECTION 1287d.** 70.995 (9) of the statutes is amended to read:

1 70.995 (9) Any aggrieved party may appeal a determination by the tax appeals
2 commission under sub. (8) to the circuit court for Dane County under s. 73.015 or to
3 the circuit court for the county where the taxpayer's commercial domicile, as defined
4 in s. 71.01 (1b), is located, where the taxpayer owns other property, or where the
5 taxpayer transacts business in this state."

6 ***b0019/P5.1*627.** Page 642, line 21: after that line insert:

7 **"*b0019/P5.1*SECTION 1297d.** 71.01 (7r) (a) of the statutes is amended to read:

8 71.01 (7r) (a) Notwithstanding sub. (6), ~~and except as provided in par. (b) for~~
9 taxable years beginning before January 1, 2014, for purposes of computing
10 amortization or depreciation, "Internal Revenue Code" means the federal Internal
11 Revenue Code as amended to December 31, 2000, except that property that, under
12 s. 71.02 (2) (d) 12., 1985 stats., is required to be depreciated for taxable year 1986
13 under the Internal Revenue Code as amended to December 31, 1980, shall continue
14 to be depreciated under the Internal Revenue Code as amended to
15 December 31, 1980.

16 ***b0019/P5.1*SECTION 1297e.** 71.01 (7r) (b) of the statutes is repealed.

17 ***b0019/P5.1*SECTION 1297f.** 71.01 (7r) (c) of the statutes is amended to read:

18 71.01 (7r) (c) Notwithstanding sub. (6), section 101 of P.L. 109–222, related to
19 extending the increased expense deduction under section 179 of the Internal
20 Revenue Code, applies to property used in farming that is acquired and placed in
21 service in taxable years beginning ~~on or after~~ December 31, 2007, and before January
22 1, 2008 2010, and used by a person who is actively engaged in farming. For purposes
23 of this paragraph, "actively engaged in farming" has the meaning given in 7 CFR

1 1400.201, and “farming” has the meaning given in section 464 (e) (1) of the Internal
2 Revenue Code.”.

3 ***b0378/2.1*628.** Page 642, line 21: after that line insert:

4 **“*b0378/2.1*SECTION 1297h.** 71.01 (10) (intro.) of the statutes is amended to
5 read:

6 71.01 (10) (intro.) “Small business stock” means an equity security, sold before
7 January 1, 2014, that the taxpayer has held for at least 5 years and that is issued by
8 a corporation that, on the December 31 before acquisition by the taxpayer, or, for a
9 corporation which was incorporated during the calendar year in which the stock is
10 issued, as of the date of the acquisition of the stock, fulfills all of the following
11 requirements and so certifies to the taxpayer upon acquisitions.”.

12 ***b0346/P4.1*629.** Page 643, line 3: after that line insert:

13 **“*b0346/P4.1*SECTION 1298p.** 71.05 (6) (a) 15. of the statutes is amended to
14 read:

15 71.05 (6) (a) 15. Except as provided under s. 71.07 (3p) (c) 5., the amount of the
16 credits computed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds),
17 (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (4k), (4n), (5e),
18 (5f), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), and (8r) and not passed through by a
19 partnership, limited liability company, or tax–option corporation that has added that
20 amount to the partnership’s, company’s, or tax–option corporation’s income under s.
21 71.21 (4) or 71.34 (1k) (g).”.

22 ***b0378/2.2*630.** Page 643, line 3: after that line insert:

23 **“*b0378/2.2*SECTION 1298n.** 71.05 (6) (a) 10. of the statutes is amended to
24 read:

1 71.05 (6) (a) 10. For ~~the taxable year~~ years beginning before January 1, 2014,
2 for a person who is not “actively engaged in farming,” as that term is used in 7 CFR
3 1400.201, combined net losses, exclusive of net gains from the sale or exchange of
4 capital or business assets and exclusive of net profits, from businesses, from rents,
5 from partnerships, from limited liability companies, from S corporations, from
6 estates, or from trusts, under section 165 of the Internal Revenue Code, except losses
7 allowable under sections 1211 and 1231 of the Internal Revenue Code, otherwise
8 includable in calculating Wisconsin income if those losses are incurred in the
9 operation of a farming business, as defined in section 464 (e) 1. of the Internal
10 Revenue Code to the extent that those combined net losses exceed \$20,000 if nonfarm
11 Wisconsin adjusted gross income exceeds \$55,000 but does not exceed \$75,000,
12 exceed \$17,500 if nonfarm Wisconsin adjusted gross income exceeds \$75,000 but does
13 not exceed \$100,000, exceed \$15,000 if nonfarm Wisconsin adjusted gross income
14 exceeds \$100,000 but does not exceed \$150,000, exceed \$12,500 if nonfarm Wisconsin
15 adjusted gross income exceeds \$150,000 but does not exceed \$200,000, exceed
16 \$10,000 if nonfarm Wisconsin adjusted gross income exceeds \$200,000 but does not
17 exceed \$250,000, exceed \$7,500 if nonfarm Wisconsin adjusted gross income exceeds
18 \$250,000 but does not exceed \$300,000, exceed \$5,000 if nonfarm Wisconsin adjusted
19 gross income exceeds \$300,000 but does not exceed \$600,000, and exceed \$0 if
20 nonfarm adjusted gross income exceeds \$600,000, except that the amounts
21 applicable to married persons filing separately are 50% of the amounts specified in
22 this subdivision.

23 ***b0378/2.2*SECTION 1298s.** 71.05 (6) (b) 6. of the statutes is amended to read:

24 71.05 (6) (b) 6. For the original purchaser of small business stock that is
25 purchased at the time that the business is incorporated and before January 1, 2014,

1 and that is sold before January 1, 2014, the amount of net capital gains on small
2 business stock otherwise subject to the tax under s. 71.02 if the taxpayer has not
3 acquired the stock by gift, has not acquired the stock in a stock-for-stock exchange
4 and submits with the taxpayer's return a copy of the certification under s. 71.01
5 (10).”.

6 *b0075/1.8***631.** Page 643, line 15: delete lines 15 to 22.

7 *b0012/P5.1***632.** Page 645, line 21: after that line insert:

8 “*b0012/P5.1***SECTION 1304d.** 71.05 (6) (b) 47. am. of the statutes is amended
9 to read:

10 71.05 (6) (b) 47. am. For taxable years beginning after December 31, 2010, and
11 before January 1, 2014, for 2 consecutive taxable years beginning with the taxable
12 year in which the claimant's business locates to this state from another state or
13 another country and begins doing business in this state, as defined in s. 71.22 (1r),
14 and subject to the limitations provided under subd. 47. d. and e., the profit or loss
15 from a trade or business as reported on federal income tax return schedules C and
16 F or their equivalents, plus ordinary gain or loss on the sale of business assets, as
17 determined under s. 71.01 (6), but not less than zero, multiplied by the
18 apportionment fraction determined in s. 71.04 (4) and subject to s. 71.04 (7).

19 *b0012/P5.1***SECTION 1304e.** 71.05 (6) (b) 47. b. of the statutes is amended to
20 read:

21 71.05 (6) (b) 47. b. With respect to partners and members of limited liability
22 companies, for taxable years beginning after December 31, 2010, and before January
23 1, 2014, for 2 consecutive taxable years beginning with the taxable year in which the
24 partnership's or limited liability company's business locates to this state from

1 another state or another country and begins doing business in this state, as defined
2 in s. 71.22 (1r), and subject to the limitations provided under subd. 47. d. and e., the
3 partner's or member's distributive share of taxable income as calculated under
4 section 703 of the Internal Revenue Code; plus the items of income and gain under
5 section 702 of the Internal Revenue Code, including taxable state and municipal
6 bond interest and excluding nontaxable interest income or dividend income from
7 federal government obligations; minus the items of loss and deduction under section
8 702 of the Internal Revenue Code, except items that are not deductible under s.
9 71.21; plus guaranteed payments to partners under section 707 (c) of the Internal
10 Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL),
11 (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t),
12 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), and (8r); and plus or minus, as
13 appropriate, transitional adjustments, depreciation differences, and basis
14 differences under s. 71.05 (13), (15), (16), (17), and (19), multiplied by the
15 apportionment fraction determined in s. 71.04 (4) and subject to s. 71.04 (7) or by
16 separate accounting. No amounts subtracted under this subd. 47. b. may be included
17 in the modification under par. (b) 9. or 9m.

18 *b0012/P5.1*SECTION 1304f. 71.05 (6) (b) 47. c. of the statutes is amended to
19 read:

20 71.05 (6) (b) 47. c. With respect to shareholders of a tax-option corporation, for
21 taxable years beginning after December 31, 2010, and before January 1, 2014, for 2
22 consecutive taxable years beginning with the taxable year in which the tax-option
23 corporation's business locates to this state from another state or another country and
24 begins doing business in this state, as defined in s. 71.22 (1r), and subject to the
25 limitations provided under subd. 47. d. and e., the shareholder's distributive share

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1 of the entity's net income or loss as determined under this chapter, including interest
2 income from federal, state, and municipal government obligations, multiplied by the
3 apportionment fraction determined in s. 71.25 (6m) and subject to s. 71.25 (9) or by
4 separate accounting. No amounts subtracted under this subdivision may be included
5 in the modification under par. (b) 9. or 9m."

6 *b0019/P5.2***633**. Page 645, line 21: after that line insert:

7 **b0019/P5.2***SECTION 1304d**. 71.05 (6) (b) ⁵⁰~~49~~ of the statutes is created to
8 read:

9 71.05 (6) (b) ⁵⁰~~49~~. Starting with the first taxable year beginning after December
10 31, 2013, and for each of the next 4 taxable years, 20 percent of the amount
11 determined by subtracting the combined federal adjusted basis of all depreciated or
12 amortized assets as of the last day of the taxable year beginning in 2013 that are also
13 being depreciated or amortized for Wisconsin from the combined Wisconsin adjusted
14 basis of those assets on the same day.

15 *b0019/P5.2***SECTION 1304f**. 71.05 (16) of the statutes is amended to read:

16 71.05 (16) DEPRECIATION CONTINUATION. Property For taxable years beginning
17 before January 1, 2014, property that, under s. 71.02 (2) (d) 12., 1985 stats., is
18 required to be depreciated for taxable year 1986 under the internal revenue code as
19 amended to December 31, 1980, shall continue to be depreciated under the internal
20 revenue code as amended to December 31, 1980.

21 *b0019/P5.2***SECTION 1304g**. 71.05 (17) of the statutes is amended to read:

22 71.05 (17) DIFFERENCE IN BASIS. With For taxable years beginning before
23 January 1, 2014, with respect to depreciable property that, under s. 71.02 (2) (d) 12.,
24 1985 stats., is required to be depreciated for taxable year 1986 under the internal

1 revenue code as amended to December 31, 1980, and that was disposed of in taxable
2 year 1986 and thereafter, any difference between the adjusted basis for federal
3 income tax purposes and the adjusted basis under this chapter shall be taken into
4 account in determining net income or loss in the year or years that the gain or loss
5 is reportable under this chapter.

6 ***b0019/P5.2*SECTION 1304h.** 71.05 (18) of the statutes is amended to read:

7 71.05 (18) CARRY-OVER BASIS PRECLUDED. With For taxable years beginning
8 before January 1, 2014, with respect to property that, under s. 71.02 (2) (d) 12., 1985
9 stats., is required to be depreciated for taxable year 1986 under the internal revenue
10 code as amended to December 31, 1980, and that was acquired in a transaction
11 occurring in taxable year 1986 and thereafter in which the adjusted basis of the
12 property in the hands of the transferee is the same as the adjusted basis of the
13 property in the hands of the transferor, the Wisconsin adjusted basis of that property
14 on the date of transfer is the adjusted basis allowable under the depreciation
15 provisions of the internal revenue code as defined for Wisconsin purposes for the
16 property in the hands of the transferor.”.

17 ***b0297/2.1*634.** Page 645, line 21: after that line insert:

18 **“*b0297/2.1*SECTION 1304e.** 71.05 (6) (b) 48. of the statutes is created to read:

19 71.05 (6) (b) 48. For taxable years that begin after December 31, 2012, any
20 amount of income received by an individual who is on active duty in the U.S. armed
21 forces, as defined in 26 USC 7701 (a) (15), and who dies while on active duty if the
22 individual’s death occurred while he or she was serving in a combat zone or as a result
23 of wounds, disease, or injury incurred while serving in a combat zone. The
24 subtraction in this subdivision applies to the income that is received by the

1 individual in the year in which he or she dies, and in the year immediately preceding
2 that year if the individual has not filed a return for the year before the year in which
3 he or she dies.”.

4 ***b0343/2.1*635.** Page 645, line 21: after that line insert:

5 **“*b0343/2.1*SECTION 1304h.** 71.05 (8) (a) of the statutes is amended to read:

6 71.05 (8) (a) The carry back of losses to reduce income of prior years ~~shall not~~
7 may be permitted for 2 taxable years. There shall be added any amount deducted
8 as a federal net operating loss carry-over and there shall be subtracted for the first
9 taxable year for which the subtraction may be made any Wisconsin net operating loss
10 carry-forward allowable under par. (b) in an amount not in excess of the Wisconsin
11 taxable income computed before the deduction of the Wisconsin net operating loss
12 carry-forward.

13 ***b0343/2.1*SECTION 1304he.** 71.05 (8) (b) of the statutes is amended to read:

14 71.05 (8) (b) A Wisconsin net operating loss may be carried forward against
15 Wisconsin taxable incomes of the next ~~15~~ 20 taxable years, if the taxpayer was
16 subject to taxation under this chapter in the taxable year in which the loss was
17 sustained, to the extent not offset against other income of the year of loss and to the
18 extent not offset against Wisconsin modified taxable income of any year between the
19 loss year and the taxable year for which the loss carry-forward is claimed. In this
20 paragraph, “Wisconsin modified taxable income” means Wisconsin taxable income
21 with the following exceptions: a net operating loss deduction or offset for the loss year
22 or any taxable year thereafter is not allowed, the deduction for long-term capital
23 gains under subs. (6) (b) 9. and 9m. and (25) is not allowed, the amount deductible
24 for losses from sales or exchanges of capital assets may not exceed the amount

1 includable in income for gains from sales or exchanges of capital assets and
2 “Wisconsin modified taxable income” may not be less than zero.”.

3 *b0344/3.1***636**. Page 645, line 21: after that line insert:

4 “*b0344/3.1***SECTION 1304g**. 71.05 (6) (b) 49. of the statutes is created to read:

5 71.05 (6) (b) 49. a. Subject to the definitions provided in subd. 49. b. to g. and
6 the limitations specified in subd. 49. h. to j. for taxable years beginning after
7 December 31, 2013, tuition expenses that are paid by a claimant for tuition for a pupil
8 to attend an eligible institution.

9 b. In this subdivision, “claimant” means an individual who claims a pupil as
10 a dependent under section 151 (c) of the Internal Revenue Code on his or her tax
11 return.

12 c. In this subdivision, “elementary pupil” means an individual who is enrolled
13 in grades kindergarten to 8 at an eligible institution.

14 d. In this subdivision, “eligible institution” means a private school, as defined
15 in s. 115.001 (3r), that meets all of the criteria under s. 118.165 (1).

16 e. In this subdivision, “pupil” means an elementary pupil or secondary pupil.

17 f. In this subdivision, “secondary pupil” means an individual who is enrolled
18 in grades 9 to 12 at an eligible institution.

19 g. In this subdivision, “tuition” means any amount paid by a claimant, in the
20 year to which the claim relates, for a pupil’s tuition to attend an eligible institution.

21 h. For each elementary pupil, in each year to which the claim relates, the
22 maximum amount of tuition expenses which a claimant may subtract under this
23 subdivision in a taxable year is \$4,000.

1 i. For each secondary pupil, in each year to which the claim relates, the
2 maximum amount of tuition expenses which a claimant may subtract under this
3 subdivision in a taxable year is \$10,000.

4 j. If an individual is an elementary pupil and a secondary pupil in the same
5 taxable year, the claimant may claim the subtraction under this subdivision for only
6 one grade for that pupil for that taxable year.”.

7 *b0298/1.1***637**. Page 649, line 9: delete “4.5 percent” and substitute “4.40
8 percent”.

9 *b0298/1.2***638**. Page 649, line 10: delete “5.94” and substitute “5.84”.

10 *b0298/1.3***639**. Page 649, line 12: delete “\$112,500, 6.36” and substitute
11 “\$225,000, 6.27”.

12 *b0298/1.4***640**. Page 649, line 14: delete lines 14 to 16 and substitute:

13 “(d) On all taxable income exceeding \$225,000, 7.65 percent.”.

14 *b0298/1.5***641**. Page 650, line 1: delete “4.5 percent” and substitute “4.40
15 percent”.

16 *b0298/1.6***642**. Page 650, line 2: delete “5.94” and substitute “5.84”.

17 *b0298/1.7***643**. Page 650, line 4: delete “\$150,000, 6.36” and substitute
18 “\$300,000, 6.27”.

19 *b0298/1.8***644**. Page 650, line 6: delete lines 6 to 8 and substitute:

20 “4. On all taxable income exceeding \$300,000, 7.65 percent.”.

21 *b0298/1.9***645**. Page 650, line 12: delete “4.5 percent” and substitute “4.40
22 percent”.

23 *b0298/1.10***646**. Page 650, line 13: delete “5.94” and substitute “5.84”.

1 ***b0298/1.11*647.** Page 650, line 15: delete “\$75,000, 6.36” and substitute
2 “\$150,000, 6.27”.

3 ***b0298/1.12*648.** Page 650, line 17: delete lines 17 to 19 and substitute:
4 “4. On all taxable income exceeding \$150,000, 7.65 percent.”.

5 ***b0298/1.13*649.** Page 651, line 1: delete “(a) to (c)” and substitute “(a) and
6 (b)”.

7 ***b0298/1.14*650.** Page 651, line 2: delete “(i) 1. to 3., and (j) 1. to 3.,” and
8 substitute “(i) 1. and 2., and (j) 1. and 2.,”.

9 ***b0298/1.15*651.** Page 651, line 25: delete “(1q) (d)” and substitute “(1q) (c)”.

10 ***b0298/1.16*652.** Page 652, line 1: delete “4., and (j) 4.,” and substitute “3.,
11 and (j) 3.,”.

12 ***b0298/1.17*653.** Page 652, line 1: delete “(1q) (e)” and substitute “(1q) (d)”.

13 ***b0298/1.18*654.** Page 652, line 2: delete “5., and (j) 5.,” and substitute “4.,
14 and (j) 4.,”.

15 ***b0012/P5.2*655.** Page 653, line 16: after that line insert:

16 **“*b0012/P5.2*SECTION 1331d.** 71.07 (2) of the statutes is amended to read:

17 71.07 (2) COMMUNITY DEVELOPMENT FINANCE AUTHORITY CREDIT. Any individual
18 receiving a credit under s. 71.09 (12m), 1985 stats., may carry forward to the next
19 succeeding 15 taxable years the amount of the credit not offset against taxes for the
20 year of purchase to the extent not offset by those taxes otherwise due in all
21 intervening years between the year for which the credit was computed and the year
22 for which the carry-forward is claimed. No unused credits may be carried forward

1 and claimed under this subsection for taxable years beginning after December 31,
2 2013.”.

3 *b0012/P5.3***656.** Page 656, line 2: after that line insert:

4 “*b0012/P5.3***SECTION 1338b.** 71.07 (3h) (b) of the statutes is amended to
5 read:

6 71.07 (3h) (b) *Filing claims.* Subject to the limitations provided in this
7 subsection, for taxable years beginning after December 31, 2011, and before January
8 1, ~~2015~~ 2014, for a claimant who produces at least 2,500,000 gallons of biodiesel fuel
9 in this state in the taxable year, a claimant may claim as a credit against the tax
10 imposed under s. 71.02, up to the amount of the tax, an amount that is equal to the
11 number of gallons of biodiesel fuel produced by the claimant in this state in the
12 taxable year multiplied by 10 cents.

13 *b0012/P5.3***SECTION 1338c.** 71.07 (3h) (d) of the statutes is renumbered
14 71.07 (3h) (d) 1.

15 *b0012/P5.3***SECTION 1338d.** 71.07 (3h) (d) 2. of the statutes is created to read:

16 71.07 (3h) (d) 2. No credit may be claimed under this subsection for taxable
17 years beginning after December 31, 2013. Credits under this subsection for taxable
18 years that begin before January 1, 2014, may be carried forward to taxable years that
19 begin after December 31, 2013.

20 *b0012/P5.3***SECTION 1338e.** 71.07 (3n) (a) 2. (intro.) of the statutes is
21 amended to read:

22 71.07 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the
23 construction, the improvement, or the acquisition of buildings or facilities, or the
24 acquisition of equipment, for dairy animal housing, confinement, animal feeding,

1 milk production, or waste management, including the following, if used exclusively
2 related to dairy animals and if acquired and placed in service in this state during
3 taxable years that begin after December 31, 2003, and before January 1, ~~2017~~ 2014:

4 ***b0012/P5.3*SECTION 1338f.** 71.07 (3n) (a) 5. (intro.) of the statutes is
5 amended to read:

6 71.07 (3n) (a) 5. (intro.) “Livestock farm modernization or expansion” means
7 the construction, the improvement, or the acquisition of buildings or facilities, or the
8 acquisition of equipment, for livestock housing, confinement, feeding, or waste
9 management, including the following, if used exclusively related to livestock and if
10 acquired and placed in service in this state during taxable years that begin after
11 December 31, 2005, and before January 1, ~~2017~~ 2014:

12 ***b0012/P5.3*SECTION 1338g.** 71.07 (3n) (a) 6. b. of the statutes is amended to
13 read:

14 71.07 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and
15 before January 1, ~~2017~~ 2014, “used exclusively,” related to livestock, dairy animals,
16 or both, means used to the exclusion of all other uses except for use not exceeding 5
17 percent of total use.

18 ***b0012/P5.3*SECTION 1338h.** 71.07 (3n) (b) 1. of the statutes is amended to
19 read:

20 71.07 (3n) (b) 1. Subject to the limitations provided in this subsection, for
21 taxable years that begin after December 31, 2003, and before January 1, ~~2017~~ 2014,
22 a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08
23 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy
24 farm modernization or expansion related to the operation of the claimant’s dairy
25 farm.

1 ***b0012/P5.3*SECTION 1338i.** 71.07 (3n) (b) 2. of the statutes is amended to
2 read:

3 71.07 (3n) (b) 2. Subject to the limitations provided in this subsection, for
4 taxable years that begin after December 31, 2005, and before January 1, ~~2017~~ 2014,
5 a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08
6 an amount equal to 10 percent of the amount the claimant paid in the taxable year
7 for livestock farm modernization or expansion related to the operation of the
8 claimant's livestock farm.

9 ***b0012/P5.3*SECTION 1338j.** 71.07 (3n) (g) of the statutes is created to read:
10 71.07 (3n) (g) No credit may be claimed under this subsection for taxable years
11 beginning after December 31, 2013. Credits under this subsection for taxable years
12 that begin before January 1, 2014, may be carried forward to taxable years that begin
13 after December 31, 2013.

14 ***b0012/P5.3*SECTION 1338k.** 71.07 (3p) (a) 3. (intro.) of the statutes is
15 amended to read:

16 71.07 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
17 means constructing, improving, or acquiring buildings or facilities, or acquiring
18 equipment, for dairy manufacturing, including the following, if used exclusively for
19 dairy manufacturing and if acquired and placed in service in this state during
20 taxable years that begin after December 31, 2006, and before January 1, ~~2015~~ 2014,
21 or, in the case of dairy cooperatives, if acquired and placed in service in this state
22 during taxable years that begin after December 31, 2008, and before January 1, ~~2017~~
23 2014:

24 ***b0012/P5.3*SECTION 1338L.** 71.07 (3p) (b) of the statutes is amended to read:

1 71.07 (3p) (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
3 for taxable years beginning after December 31, 2006, and before January 1, 2015
4 2014, a claimant may claim as a credit against the taxes imposed under s. 71.02 or
5 71.08, up to the amount of the tax, an amount equal to 10 percent of the amount the
6 claimant paid in the taxable year for dairy manufacturing modernization or
7 expansion related to the claimant's dairy manufacturing operation.

8 ***b0012/P5.3*SECTION 1338m.** 71.07 (3p) (c) 5. of the statutes is amended to
9 read:

10 71.07 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
11 the credit in the year after the year in which the dairy manufacturing modernization
12 or expansion occurs, based on amounts described under par. (b) that are paid by the
13 dairy cooperative, for taxable years beginning after December 31, 2008, and before
14 January 1, ~~2018~~ 2014. The amount of the credits computed and not passed through
15 by a partnership, limited liability company, or tax-option corporation that has added
16 that amount to the partnership's, company's, or tax-option corporation's income
17 under s. 71.21 (4) or 71.34 (1k) (g) shall be added to a claimant's income in the year
18 in which the cooperative member is allowed to claim the credit.

19 ***b0012/P5.3*SECTION 1338n.** 71.07 (3p) (d) 4. of the statutes is created to read:

20 71.07 (3p) (d) 4. No credit may be claimed under this subsection for taxable
21 years beginning after December 31, 2013.

22 ***b0012/P5.3*SECTION 1338p.** 71.07 (3r) (a) 3. (intro.) of the statutes is
23 amended to read:

24 71.07 (3r) (a) 3. (intro.) "Meat processing modernization or expansion" means
25 constructing, improving, or acquiring buildings or facilities, or acquiring equipment,

1 for meat processing, including the following, if used exclusively for meat processing
2 and if acquired and placed in service in this state during taxable years that begin
3 after December 31, 2008, and before January 1, ~~2017~~ 2014:

4 ***b0012/P5.3*SECTION 1338q.** 71.07 (3r) (b) of the statutes is amended to read:

5 71.07 (3r) (b) *Filing claims.* Subject to the limitations provided in this
6 subsection and s. 93.545 or s. 560.208, 2009 stats., for taxable years beginning after
7 December 31, 2008, and before January 1, ~~2017~~ 2014, a claimant may claim as a
8 credit against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax,
9 an amount equal to 10 percent of the amount the claimant paid in the taxable year
10 for meat processing modernization or expansion related to the claimant's meat
11 processing operation.

12 ***b0012/P5.3*SECTION 1338r.** 71.07 (3r) (d) 3. of the statutes is created to read:

13 71.07 (3r) (d) 3. No credit may be claimed under this subsection for taxable
14 years beginning after December 31, 2013.

15 ***b0012/P5.3*SECTION 1338rb.** 71.07 (3rm) (b) of the statutes is amended to
16 read:

17 71.07 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
18 subsection and s. 93.547 or s. 560.209, 2009 stats., for taxable years beginning after
19 December 31, 2009, and before January 1, ~~2016~~ 2015, a claimant may claim as a
20 credit against the taxes imposed under s. 71.02 or 71.08, up to the amount of the tax,
21 an amount equal to 10 percent of the amount the claimant paid in the taxable year
22 for equipment that is used primarily to harvest or process woody biomass that is used
23 as fuel or as a component of fuel.

24 ***b0012/P5.3*SECTION 1338rc.** 71.07 (3rm) (d) 3. of the statutes is created to
25 read:

1 71.07 (3rn) (d) 3. No credit may be claimed under this subsection for taxable
2 years beginning after December 31, 2014.

3 ***b0012/P5.3*SECTION 1338s.** 71.07 (3rn) (a) 4. (intro.) of the statutes is
4 amended to read:

5 71.07 (3rn) (a) 4. (intro.) “Food processing plant or food warehouse
6 modernization or expansion” means constructing, improving, or acquiring buildings
7 or facilities, or acquiring equipment, for food processing or food warehousing,
8 including the following, if used exclusively for food processing or food warehousing
9 and if acquired and placed in service in this state during taxable years that begin
10 after December 31, 2009, and before January 1, ~~2017~~ 2014:

11 ***b0012/P5.3*SECTION 1338t.** 71.07 (3rn) (b) of the statutes is amended to read:

12 71.07 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
13 subsection and s. 93.54 or s. 560.2056, 2009 stats., for taxable years beginning after
14 December 31, 2009, and before January 1, ~~2017~~ 2014, a claimant may claim as a
15 credit against the tax imposed under ss. 71.02 and 71.08, up to the amount of the tax,
16 an amount equal to 10 percent of the amount the claimant paid in the taxable year
17 for food processing or food warehousing modernization or expansion related to the
18 operation of the claimant’s food processing plant or food warehouse.

19 ***b0012/P5.3*SECTION 1338u.** 71.07 (3rn) (d) 3. of the statutes is created to
20 read:

21 71.07 (3rn) (d) 3. No credit may be claimed under this subsection for taxable
22 years beginning after December 31, 2013.”.

23 ***b0346/P4.2*657.** Page 658, line 4: after that line insert:

24 **“*b0346/P4.2*SECTION 1343b.** 71.07 (4k) of the statutes is created to read:

1 71.07 (4k) RESEARCH CREDIT. (a) *Definitions*. In this subsection:

2 1. “Frame” includes:

3 a. Every part of a motorcycle, except the tires.

4 b. In the case of a truck, the control system and the fuel and drive train,
5 excluding any comfort features located in the cab or the tires.

6 c. In the case of a generator, the control modules, fuel train, fuel scrubbing
7 process, fuel mixers, generator, heat exchangers, exhaust train, and similar
8 components.

9 2. “Internal combustion engine” includes substitute products such as fuel cell,
10 electric, and hybrid drives.

11 3. “Vehicle” means any vehicle or frame, including parts, accessories, and
12 component technologies, in which or on which an engine is mounted for use in mobile
13 or stationary applications. “Vehicle” includes any truck, tractor, motorcycle,
14 snowmobile, all-terrain vehicle, boat, personal watercraft, generator, construction
15 equipment, lawn and garden maintenance equipment, automobile, van, sports
16 utility vehicle, motor home, bus, or aircraft.

17 (b) *Credit*. 1. Subject to the limitations provided in this subsection, and except
18 as provided in subds. 2. and 3., for taxable years beginning after December 31, 2012,
19 an individual, a partner of a partnership, a shareholder of a tax-option corporation,
20 or a member of a limited liability company may claim a credit against the tax imposed
21 under s. 71.02, as allocated under par. (d), an amount equal to 5 percent of the
22 amount obtained by subtracting from the individual’s, partnership’s, tax-option
23 corporation’s, or limited liability company’s qualified research expenses, as defined
24 in section 41 of the Internal Revenue Code, except that “qualified research expenses”
25 includes only expenses incurred by the individual, partnership, tax-option

1 corporation, or the limited liability company, incurred for research conducted in this
2 state for the taxable year, except that a taxpayer may elect the alternative
3 computation under section 41 (c) (4) of the Internal Revenue Code and that election
4 applies until the department permits its revocation, except as provided in par. (c),
5 and except that “qualified research expenses” does not include compensation used
6 in computing the credit under subs. (2dj) and (2dx), the entity’s base amount, as
7 defined in section 41 (c) of the Internal Revenue Code, except that gross receipts used
8 in calculating the base amount means gross receipts from sales attributable to
9 Wisconsin under ss. 71.04 (7) (b) 1. and 2., (df), (dh), (dj), and (dk). Section 41 (h) of
10 the Internal Revenue Code does not apply to the credit under this subdivision.

11 2. For taxable years beginning after December 31, 2012, an individual, a
12 partner of a partnership, a shareholder of a tax-option corporation, or a member of
13 a limited liability company may claim a credit against the tax imposed under s. 71.02,
14 as allocated under par. (d), an amount equal to 10 percent of the amount obtained by
15 subtracting from the individual’s, partnership’s, tax-option corporation’s, or limited
16 liability company’s qualified research expenses, as defined in section 41 of the
17 Internal Revenue Code, except that “qualified research expenses” includes only
18 expenses incurred by the individual, partnership, tax-option corporation, or limited
19 liability company for research related to designing internal combustion engines for
20 vehicles, including expenses related to designing vehicles that are powered by such
21 engines and improving production processes for such engines and vehicles, incurred
22 for research conducted in this state for the taxable year, except that a taxpayer may
23 elect the alternative computation under section 41 (c) (4) of the Internal Revenue
24 Code and that election applies until the department permits its revocation, except
25 as provided in par. (c), and except that “qualified research expenses” does not include

1 compensation used in computing the credit under subs. (2dj) and (2dx), the entity's
2 base amount, as defined in section 41 (c) of the Internal Revenue Code, except that
3 gross receipts used in calculating the base amount means gross receipts from sales
4 attributable to Wisconsin under ss. 71.04 (7) (b) 1. and 2., (df), (dh), (dj), and (dk).
5 Section 41 (h) of the Internal Revenue Code does not apply to the credit under this
6 subdivision.

7 3. For taxable years beginning after December 31, 2012, an individual, a
8 partner of a partnership, a shareholder of a tax-option corporation, or a member of
9 a limited liability company may claim a credit against the tax imposed under s. 71.02,
10 as allocated under par. (d), an amount equal to 10 percent of the amount obtained by
11 subtracting from the individual's, partnership's, tax-option corporation's, or limited
12 liability company's qualified research expenses, as defined in section 41 of the
13 Internal Revenue Code, except that "qualified research expenses" includes only
14 expenses incurred by the individual, partnership, tax-option corporation, or limited
15 liability company for research related to the design and manufacturing of energy
16 efficient lighting systems, building automation and control systems, or automotive
17 batteries for use in hybrid-electric vehicles, that reduce the demand for natural gas
18 or electricity or improve the efficiency of its use, incurred for research conducted in
19 this state for the taxable year, except that a taxpayer may elect the alternative
20 computation under section 41 (c) (4) of the Internal Revenue Code and that election
21 applies until the department permits its revocation, except as provided in par. (c),
22 and except that "qualified research expenses" does not include compensation used
23 in computing the credit under subs. (2dj) and (2dx), the entity's base amount, as
24 defined in section 41 (c) of the Internal Revenue Code, except that gross receipts used
25 in calculating the base amount means gross receipts from sales attributable to

1 Wisconsin under ss. 71.04 (7) (b) 1. and 2., (df), (dh), (dj), and (dk). Section 41 (h) of
2 the Internal Revenue Code does not apply to the credit under this subdivision.

3 (c) *Computation.* If in any taxable year a person claims a credit under par. (b)
4 1., 2., or 3., or any combination of those credits, the person may use a different
5 computation method to calculate each of the credits and may choose to change the
6 computation method once for each credit without the department's approval.

7 (d) *Limitations.* Partnerships, tax-option corporations, and limited liability
8 companies may not claim a credit under this subsection, but the eligibility for, and
9 the amount of, the credit are based on their payment of amounts under par. (b). A
10 partnership, tax-option corporation, or limited liability company shall compute the
11 amount of the credit that each of its partners, shareholders, or members may claim
12 and shall provide that information to each of them. Partners of a partnership,
13 shareholders of tax-option corporations, and members of limited liability companies
14 may claim the credit in proportion to their ownership interest.

15 (e) *Administration.* Section 71.28 (4) (b) to (h), as it applies to the credit under
16 s. 71.28 (4), applies to the credits under this subsection.

17 ***b0346/P4.2*SECTION 1343c.** 71.07 (4n) of the statutes is created to read:

18 71.07 (4n) RESEARCH FACILITIES CREDIT. (a) *Definitions.* In this subsection:

19 1. "Frame" includes:

20 a. Every part of a motorcycle, except the tires.

21 b. In the case of a truck, the control system and the fuel and drive train,
22 excluding any comfort features located in the cab or the tires.

23 c. In the case of a generator, the control modules, fuel train, fuel scrubbing
24 process, fuel mixers, generator, heat exchangers, exhaust train, and similar
25 components.

1 2. “Internal combustion engine” includes substitute products such as fuel cell,
2 electric, and hybrid drives.

3 3. “Vehicle” means any vehicle or frame, including parts, accessories, and
4 component technologies, in which or on which an engine is mounted for use in mobile
5 or stationary applications. “Vehicle” includes any truck, tractor, motorcycle,
6 snowmobile, all-terrain vehicle, boat, personal watercraft, generator, construction
7 equipment, lawn and garden maintenance equipment, automobile, van, sports
8 utility vehicle, motor home, bus, or aircraft.

9 (b) *Credit.* 1. Subject to the limitations provided in this subsection, and except
10 as provided in subds. 2. and 3., for taxable years beginning after December 31, 2012,
11 and before January 1, 2014, an individual, a partner of a partnership, a shareholder
12 of a tax-option corporation, or a member of a limited liability company may claim a
13 credit against the tax imposed under s. 71.02, as allocated under par. (c), an amount
14 equal to 5 percent of the amount paid or incurred by the individual, partnership,
15 tax-option corporation, or limited liability company during the taxable year to
16 construct and equip new facilities or expand existing facilities used in this state for
17 qualified research, as defined in section 41 of the Internal Revenue Code. Eligible
18 amounts include only amounts paid or incurred for tangible, depreciable property
19 but do not include amounts paid or incurred for replacement property.

20 2. For taxable years beginning after December 31, 2012, and before January
21 1, 2014, an individual, a partner of a partnership, a shareholder of a tax-option
22 corporation, or a member of a limited liability company may claim a credit against
23 the tax imposed under s. 71.02, as allocated under par. (c), an amount equal to 10
24 percent of the amount paid or incurred by the individual, partnership, tax-option
25 corporation, or limited liability company during the taxable year to construct and

1 equip new facilities or expand existing facilities used in this state for qualified
2 research, as defined in section 41 of the Internal Revenue Code, except that
3 “qualified research expenses” includes only expenses paid or incurred by the
4 individual, partnership, tax-option corporation, or limited liability company for
5 research related to designing internal combustion engines for vehicles, including
6 expenses related to designing vehicles that are powered by such engines and
7 improving production processes for such engines and vehicles. Eligible amounts
8 include only amounts paid or incurred for tangible, depreciable property but do not
9 include amounts paid or incurred for replacement property.

10 3. For taxable years beginning after December 31, 2012, and before January
11 1, 2014, an individual, a partner of a partnership, a shareholder of a tax-option
12 corporation, or a member of a limited liability company may claim a credit against
13 the tax imposed under s. 71.02, as allocated under par. (c), an amount equal to 10
14 percent of the amount paid or incurred by the individual, partnership, tax-option
15 corporation, or limited liability company during the taxable year to construct and
16 equip new facilities or expand existing facilities used in this state for qualified
17 research, as defined in section 41 of the Internal Revenue Code, except that
18 “qualified research expenses” includes only expenses paid or incurred by the
19 individual, partnership, tax-option corporation, or limited liability company for
20 research related to the design and manufacturing of energy efficient lighting
21 systems, building automation and control systems, or automotive batteries for use
22 in hybrid-electric vehicles, that reduce the demand for natural gas or electricity or
23 improve the efficiency of its use. Eligible amounts include only amounts paid or
24 incurred for tangible, depreciable property but do not include amounts paid or
25 incurred for replacement property.

1 (c) *Limitations.* Partnerships, tax–option corporations, and limited liability
2 companies may not claim a credit under this subsection, but the eligibility for, and
3 the amount of, the credit are based on their payment of amounts under par. (b). A
4 partnership, tax–option corporation, or limited liability company shall compute the
5 amount of the credit that each of its partners, shareholders, or members may claim
6 and shall provide that information to each of them. Partners of a partnership,
7 shareholders of tax–option corporations, and members of limited liability companies
8 may claim the credit in proportion to their ownership interest.

9 (d) *Administration.* Section 71.28 (4) (b) to (h), as it applies to the credit under
10 s. 71.28 (4), applies to the credits under this subsection.”.

11 ***b0012/P5.4*658.** Page 658, line 5: after that line insert:

12 ****b0012/P5.4*SECTION 1344b.** 71.07 (5e) (d) of the statutes is renumbered
13 71.07 (5e) (d) 1.

14 ***b0012/P5.4*SECTION 1344c.** 71.07 (5e) (d) 2. of the statutes is created to read:
15 71.07 (5e) (d) 2. No credit may be claimed under this subsection for taxable
16 years beginning after December 31, 2013. Credits under this subsection for taxable
17 years that begin before January 1, 2014, may be carried forward to taxable years that
18 begin after December 31, 2013.

19 ***b0012/P5.4*SECTION 1344d.** 71.07 (5f) (d) 3. of the statutes is created to read:
20 71.07 (5f) (d) 3. No credit may be claimed under this subsection for taxable
21 years beginning after December 31, 2013.

22 ***b0012/P5.4*SECTION 1344e.** 71.07 (5g) (d) of the statutes is renumbered
23 71.07 (5g) (d) 1.

24 ***b0012/P5.4*SECTION 1344f.** 71.07 (5g) (d) 2. of the statutes is created to read:

JK

1 71.07 (5g) (d) 2. No credit may be claimed under this subsection for taxable
2 years beginning after December 31, 2013. Credits under this subsection for taxable
3 years that begin before January 1, 2014, may be carried forward to taxable years that
4 begin after December 31, 2013.

5 *b0012/P5.4*SECTION 1344g. 71.07 (5h) (d) 3. of the statutes is created to read:

6 71.07 (5h) (d) 3. No credit may be claimed under this subsection for taxable
7 years beginning after December 31, 2013.”.

8 *b0097/2.26*659. Page 658, line 5: after that line insert:

9 “*b0097/2.26*SECTION 1344c. 71.07 (5g) (a) of the statutes is amended to read:

10 71.07 (5g) (a) *Definitions*. In this subsection, “claimant” means a partner,
11 limited liability company member, or tax-option corporation shareholder who files
12 a claim under this subsection and who is a partner, member, or shareholder of an
13 entity that is an insurer, as defined in s. 149.10 (5), 2011 stats.

14 *b0097/2.26*SECTION 1344d. 71.07 (5g) (b) of the statutes is amended to read:

15 2014 71.07 (5g) (b) *Filing claims*. Subject to the limitations provided under this
16 subsection, for taxable years beginning after December 31, 2005, and before January
17 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.02
18 an amount that is equal to the amount of the assessment under s. 149.13, 2011 stats.,
19 that the claimant paid in the claimant’s taxable year, multiplied by the percentage
20 determined under par. (c) 1.

21 *b0097/2.26*SECTION 1344e. 71.07 (5g) (c) 1. of the statutes is amended to
22 read:

23 71.07 (5g) (c) 1. The department of revenue, in consultation with the office of
24 the commissioner of insurance, shall determine the percentage under par. (b) for

1 each claimant for each taxable year. The percentage shall be equal to \$5,000,000
2 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the
3 commissioner of insurance shall provide to each claimant that participates in the
4 cost of administering the plan the aggregate assessment at the time that it notifies
5 the claimant of the claimant's assessment. The aggregate amount of the credit under
6 this subsection and ss. 71.28 (5g), 71.47 (5g), and 76.655 for all claimants
7 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
8 not exceed \$5,000,000 in each fiscal year.”.

9 ***b0005/P2.1*660.** Page 658, line 13: after that line insert:

10 ****b0005/P2.1*SECTION 1345g.** 71.07 (5n) (c) of the statutes is renumbered
11 71.07 (5n) (c) 1.

12 ***b0005/P2.1*SECTION 1345h.** 71.07 (5n) (c) 2. of the statutes is created to read:

13 71.07 (5n) (c) 2. The credit under par. (b), including any credits carried over,
14 may be offset only against the amount of the tax imposed upon or measured by the
15 business operations of the claimant on which the credit is computed.

16 ***b0005/P2.1*SECTION 1345i.** 71.07 (5n) (c) 3. of the statutes is created to read:

17 71.07 (5n) (c) 3. For shareholders of a tax-option corporation, the credit may
18 be offset only against the tax imposed on the shareholder's prorated share of the
19 tax-option corporation's income.

20 ***b0005/P2.1*SECTION 1345j.** 71.07 (5n) (c) 4. of the statutes is created to read:

21 71.07 (5n) (c) 4. For partners of a partnership, the credit may be offset only
22 against the tax imposed on the partner's distributive share of partnership income.

23 ***b0005/P2.1*SECTION 1345k.** 71.07 (5n) (c) 5. of the statutes is created to read:

1 71.07 (5n) (c) 5. For members of a limited liability company, the credit may be
2 offset only against the tax imposed on the member's distributive share of the limited
3 liability company's income.”.

4 ***b0012/P5.5*661.** Page 658, line 13: after that line insert:

5 ****b0012/P5.5*SECTION 1345b.** 71.07 (5j) (b) of the statutes is amended to read:

6 71.07 (5j) (b) *Filing claims.* Subject to the limitations provided in this
7 subsection, for taxable years beginning after December 31, 2007, and before January
8 1, ~~2018~~ 2014, a claimant may claim as a credit against the taxes imposed under ss.
9 71.02 and 71.08, up to the amount of the taxes, an amount that is equal to 25 percent
10 of the amount that the claimant paid in the taxable year to install or retrofit pumps
11 located in this state that dispense motor vehicle fuel marketed as gasoline and 85
12 percent ethanol or a higher percentage of ethanol or motor vehicle fuel marketed as
13 diesel fuel and 20 percent biodiesel fuel or that mix fuels from separate storage tanks
14 and allow the end user to choose the percentage of gasoline replacement renewable
15 fuel or diesel replacement renewable fuel in the motor vehicle fuel dispensed.

16 ***b0012/P5.5*SECTION 1345d.** 71.07 (5j) (d) of the statutes is renumbered 71.07
17 (5j) (d) 1.

18 ***b0012/P5.5*SECTION 1345e.** 71.07 (5j) (d) 2. of the statutes is created to read:

19 71.07 (5j) (d) 2. No credit may be claimed under this subsection for taxable
20 years beginning after December 31, 2013. Credits under this subsection for taxable
21 years that begin before January 1, 2014, may be carried forward to taxable years that
22 begin after December 31, 2013.”.

23 ***b0348/P1.3*662.** Page 658, line 13: after that line insert:

1 **“*b0348/P1.3*SECTION 1345g.** 71.07 (5n) (a) 8. g. of the statutes is created to
2 read:

3 71.07 (5n) (a) 8. g. Income from aging natural cheese on behalf of others, as
4 described under s. 70.995 (3) (b).

5 ***b0348/P1.3*SECTION 1345h.** 71.07 (5n) (a) 9. a. of the statutes is amended to
6 read:

7 71.07 (5n) (a) 9. a. Tangible personal property manufactured in whole or in part
8 by the claimant on property that is assessed as manufacturing property under s.
9 70.995, not including natural cheese aged on behalf of others, as described under s.
10 70.995 (3) (b).”.

11 ***b0075/1.9*663.** Page 658, line 14: delete lines 14 to 19.

12 ***b0012/P5.6*664.** Page 658, line 19: after that line insert:

13 **“*b0012/P5.6*SECTION 1347b.** 71.07 (5r) (d) of the statutes is renumbered
14 71.07 (5r) (d) 1.

15 ***b0012/P5.6*SECTION 1347c.** 71.07 (5r) (d) 2. of the statutes is created to read:

16 71.07 (5r) (d) 2. No credit may be claimed under this subsection for taxable
17 years beginning after December 31, 2013. Credits under this subsection for taxable
18 years that begin before January 1, 2014, may be carried forward to taxable years that
19 begin after December 31, 2013.

20 ***b0012/P5.6*SECTION 1347d.** 71.07 (5rm) (b) (intro.) of the statutes is
21 amended to read:

22 71.07 (5rm) (b) *Filing claims.* (intro.) Subject to the limitations provided in
23 this subsection, for taxable years beginning after December 31, 2009, and before
24 January 1, ~~2020~~ 2014, a claimant may claim as a credit against the tax imposed

1 under s. 71.02, up to the amount of the tax, the amount determined as follows, except
2 that the maximum amount that a claimant may claim in a taxable year under this
3 subsection is \$300,000:

4 ***b0012/P5.6*SECTION 1347e.** 71.07 (5rm) (d) of the statutes is renumbered
5 71.07 (5rm) (d) 1.

6 ***b0012/P5.6*SECTION 1347f.** 71.07 (5rm) (d) 2. of the statutes is created to
7 read:

8 71.07 (5rm) (d) 2. No credit may be claimed under this subsection for taxable
9 years beginning after December 31, 2013. Credits under this subsection for taxable
10 years that begin before January 1, 2014, may be carried forward to taxable years that
11 begin after December 31, 2013.”.

12 ***b0012/P5.7*665.** Page 659, line 3: after that line insert:

13 **“*b0012/P5.7*SECTION 1348d.** 71.07 (8r) (d) of the statutes is renumbered
14 71.07 (8r) (d) 1.

15 ***b0012/P5.7*SECTION 1348e.** 71.07 (8r) (d) 2. of the statutes is created to read:

16 71.07 (8r) (d) 2. No credit may be claimed under this subsection for taxable
17 years beginning after December 31, 2013.”.

18 ***b0092/2.2*666.** Page 659, line 3: after that line insert:

19 **“*b0092/2.2*SECTION 1348b.** 71.07 (6n) (d) of the statutes is renumbered 71.07
20 (6n) (d) 1.

21 ***b0092/2.2*SECTION 1348c.** 71.07 (6n) (d) 2. of the statutes is created to read:

22 71.07 (6n) (d) 2. No credit may be claimed under this subsection for taxable
23 years beginning after December 31, 2012. Credits under this subsection for taxable

years that begin before January 1, 2013, may be carried forward to taxable years that begin after December 31, 2012.”.

***b0301/1.1*667.** Page 659, line 3: after that line insert:

****b0301/1.1*SECTION 1348e.** 71.07 (9m) (a) of the statutes is renumbered 71.07 (9m) (a) (intro.) and amended to read:

71.07 (9m) (a) (intro.) Any person may credit against taxes otherwise due under this chapter, up to the amount of those taxes, an amount equal to 5% one of the following percentages of the costs of qualified rehabilitation expenditures, as defined in section 47 (c) (2) of the ~~internal revenue code~~ Internal Revenue Code, for certified historic structures on property located in this state if the physical work of construction or destruction in preparation for construction begins after December 31, 1988, and the rehabilitated property is placed in service after June 30, 1989.:

***b0301/1.1*SECTION 1348ec.** 71.07 (9m) (a) 1. of the statutes is created to read:

71.07 (9m) (a) 1. For taxable years beginning before January 1, 2013, 5 percent.

***b0301/1.1*SECTION 1348ef.** 71.07 (9m) (a) 2. of the statutes is created to read:

71.07 (9m) (a) 2. For taxable years beginning after December 31, 2012, 10 percent.”.

***b0342/3.1*668.** Page 659, line 3: after that line insert:

****b0342/3.1*SECTION 1348b.** 71.07 (6e) (b) of the statutes is amended to read:

71.07 (6e) (b) *Filing claims.* Subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02 ~~the an amount of the claimant's property taxes equal to all or part of the claimant's property taxes, as calculated under par. (bm).~~ an amount of the claimant's property taxes equal to all or part of the claimant's property taxes, as calculated under par. (bm). If the allowable amount of the claim exceeds the income taxes otherwise due on the claimant's income, the amount of the

1 claim not used as an offset against those taxes shall be certified by the department
2 of revenue to the department of administration for payment to the claimant by check,
3 share draft, or other draft from the appropriation under s. 20.835 (2) (em).

4 ***b0342/3.1*SECTION 1348be.** 71.07 (6e) (bm) of the statutes is created to read:

5 71.07 (6e) (bm) *Calculation.* 1. If the claimant is single and his or her adjusted
6 gross income is less than \$50,000 in the year to which the claim relates, the amount
7 of the claimant's property taxes.

8 2. If the claimant is single and his or her adjusted gross income is at least
9 \$50,000 but less than \$100,000 in the year to which the claim relates, an amount that
10 is calculated as follows:

11 a. Calculate the value of a fraction, the denominator of which is \$50,000 and
12 the numerator of which is the difference between the claimant's adjusted gross
13 income and \$50,000.

14 b. Subtract from 1.0 the amount that is calculated under subd. 2. a.

15 c. Multiply the amount of the claimant's property taxes by the amount that is
16 calculated under subd. 2. b.

17 3. If the claimant is filing as a head of household and his or her adjusted gross
18 income is less than \$60,000 in the year to which the claim relates, the amount of the
19 claimant's property taxes.

20 4. If the claimant is filing as a head of household and his or her adjusted gross
21 income is at least \$60,000 but less than \$120,000 in the year to which the claim
22 relates, an amount that is calculated as follows:

23 a. Calculate the value of a fraction, the denominator of which is \$60,000 and
24 the numerator of which is the difference between the claimant's adjusted gross
25 income and \$60,000.

1 b. Subtract from 1.0 the amount that is calculated under subd. 4. a.

2 c. Multiply the amount of the claimant's property taxes by the amount that is
3 calculated under subd. 4. b.

4 5. If the claimant is married and filing jointly and the sum of the claimant's
5 adjusted gross income and his or her spouse's adjusted gross income is less than
6 \$75,000 in the year to which the claim relates, the amount of the claimant's property
7 taxes.

8 6. If the claimant is married and filing jointly and the sum of the claimant's
9 adjusted gross income and his or her spouse's adjusted gross income is at least
10 \$75,000 but less than \$150,000 in the year to which the claim relates, an amount that
11 is calculated as follows:

12 a. Calculate the value of a fraction, the denominator of which is \$75,000 and
13 the numerator of which is the difference between the claimant's adjusted gross
14 income and \$75,000.

15 b. Subtract from 1.0 the amount that is calculated under subd. 6. a.

16 c. Multiply the amount of the claimant's property taxes by the amount that is
17 calculated under subd. 6. b.

18 7. If the claimant is married and filing separately and his or her adjusted gross
19 income is less than \$37,500 in the year to which the claim relates, the amount of the
20 claimant's property taxes.

21 8. If the claimant is married and filing separately and his or her adjusted gross
22 income is at least \$37,500 but less than \$75,000 in the year to which the claim relates,
23 an amount that is calculated as follows:

1 a. Calculate the value of a fraction, the denominator of which is \$37,500 and
2 the numerator of which is the difference between the claimant's adjusted gross
3 income and \$37,500.

4 b. Subtract from 1.0 the amount that is calculated under subd. 8. a.

5 c. Multiply the amount of the claimant's property taxes by the amount that is
6 calculated under subd. 8. b.

7 ***b0342/3.1*SECTION 1348bh.** 71.07 (6e) (c) 4. of the statutes is created to read:

8 71.07 (6e) (c) 4. In making the calculation under par. (bm), the amount of the
9 claimant's property taxes that may be used is the lesser of the actual amount of the
10 claimant's property taxes or \$2,500.

11 ***b0342/3.1*SECTION 1348bj.** 71.07 (6e) (c) 5. of the statutes is created to read:

12 71.07 (6e) (c) 5. A claimant may not claim the credit under this subsection if
13 any of the following apply:

14 a. The claimant is single and his or her adjusted gross income in the year to
15 which his or her claim would relate is at least \$100,000.

16 b. The claimant is filing as a head of household and his or her adjusted gross
17 income in the year to which his or her claim would relate is at least \$120,000.

18 c. The claimant is married and filing jointly and the sum of the claimant's
19 adjusted gross income and his or her spouse's adjusted gross income is at least
20 \$150,000.

21 d. The claimant is married and filing separately and his or her adjusted gross
22 income is at least \$75,000.”.

23 ***b0346/P4.3*669.** Page 659, line 3: after that line insert:

24 **“*b0346/P4.3*SECTION 1348am.** 71.07 (10) of the statutes is repealed.

1 ***b0346/P4.3*SECTION 1348b.** 71.10 (4) (er) of the statutes is created to read:
2 71.10 (4) (er) Research credit under s. 71.07 (4k).

3 ***b0346/P4.3*SECTION 1348c.** 71.10 (4) (eu) of the statutes is created to read:
4 71.10 (4) (eu) Research facilities credit under s. 71.07 (4n).”.

5 ***b0302/2.1*670.** Page 659, line 12: after that line insert:

6 **“*b0302/2.1*SECTION 1349e.** 71.10 (5s) (e) of the statutes is created to read:

7 71.10 (5s) (e) For any taxable year that begins after December 31, 2014,
8 individuals may not make a designation for any checkoff which, in the previous tax
9 year, did not generate at least \$75,000 of designations as certified by the secretary
10 of revenue under subs. (5) (h) 3., (5e) (h) 2., (5f) (h) 2., (5fm) (h) 2., (5g) (h) 2., (5i) (h)
11 2., (5j) (h) 2., (5k) (h) 2., (5km) (h) 2., and (5m) (h) 2. Once a checkoff is affected by
12 this paragraph, no further checkoffs may be designated to that checkoff in any
13 taxable year.”.

14 ***b0346/P4.4*671.** Page 660, line 4: after that line insert:

15 **“*b0346/P4.4*SECTION 1352d.** 71.21 (3) of the statutes is amended to read:

16 71.21 (3) The credits under s. 71.28 (4), (4m), and (5) may not be claimed by a
17 partnership or by partners, including partners of a publicly traded partnership.

18 ***b0346/P4.4*SECTION 1352e.** 71.21 (4) (a) of the statutes is amended to read:

19 71.21 (4) (a) The amount of the credits computed by a partnership under s.
20 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p),
21 (3q), (3r), (3rm), (3rn), (3s), (3t), (3w), (4k), (4n), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
22 (5rm), (6n), and (8r) and passed through to partners shall be added to the
23 partnership’s income.”.

24 ***b0019/P5.3*672.** Page 674, line 18: after that line insert:

1 ***b0019/P5.3*SECTION 1372d.** 71.22 (5m) (b) of the statutes is amended to
2 read:

3 71.22 **(5m)** (b) Notwithstanding subs. (4) and (4m), section 101 of P.L. 109–222,
4 related to extending the increased expense deduction under section 179 of the
5 Internal Revenue Code, applies to property used in farming that is acquired and
6 placed in service in taxable years beginning ~~on or~~ after December 31, 2007, and
7 before January 1, 2008 2010, and used by a person who is actively engaged in
8 farming. For purposes of this paragraph, “actively engaged in farming” has the
9 meaning given in 7 CFR 1400.201, and “farming” has the meaning given in section
10 464 (e) (1) of the Internal Revenue Code.”.

11 ***b0097/2.27*673.** Page 674, line 18: after that line insert:

12 ***b0097/2.27*SECTION 1372c.** 71.26 (1) (be) of the statutes is amended to read:
13 71.26 (1) (be) *Certain authorities.* Income of the University of Wisconsin
14 Hospitals and Clinics Authority, ~~of the Health Insurance Risk-Sharing Plan~~
15 ~~Authority~~, of the Fox River Navigational System Authority, of the Wisconsin
16 Economic Development Corporation, and of the Wisconsin Aerospace Authority.”.

17 ***b0012/P5.8*674.** Page 693, line 8: after that line insert:

18 ***b0012/P5.8*SECTION 1383d.** 71.28 (1) (d) of the statutes is created to read:
19 71.28 (1) (d) No credit may be claimed under this subsection for taxable years
20 beginning after December 31, 2013. Credits under this subsection for taxable years
21 that begin before January 1, 2014, may be carried forward to taxable years that begin
22 after December 31, 2013.”.

23 ***b0019/P5.4*675.** Page 693, line 8: after that line insert:

24 ***b0019/P5.4*SECTION 1383b.** 71.26 (3) (q) of the statutes is amended to read:

1 71.26 (3) (q) ~~Sections~~ For taxable years beginning before January 1, 2014,
2 sections 613 and 613A (relating to percentage depletion) are excluded.

3 ***b0019/P5.4*SECTION 1383d.** 71.26 (3) (y) 1. of the statutes is renumbered
4 71.26 (3) (y) and amended to read:

5 71.26 (3) (y) ~~Except as provided in subd. 2.~~ For taxable years beginning before
6 January 1, 2014, a corporation shall compute amortization and depreciation under
7 the federal Internal Revenue Code as amended to December 31, 2000, except that
8 property first placed in service by the taxpayer on or after January 1, 1983, but
9 before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required
10 to be depreciated under the Internal Revenue Code as amended to
11 December 31, 1980, and property first placed in service in taxable year 1981 or
12 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is
13 required to be depreciated under the Internal Revenue Code as amended to
14 December 31, 1980, shall continue to be depreciated under the Internal Revenue
15 Code as amended to December 31, 1980.

16 ***b0019/P5.4*SECTION 1383e.** 71.26 (3) (y) 2. of the statutes is repealed.

17 ***b0019/P5.4*SECTION 1383f.** 71.26 (3) (ym) of the statutes is created to read:

18 71.26 (3) (ym) Starting with the first taxable year beginning after December
19 31, 2013, and for each of the next 4 taxable years, a corporation shall subtract 20
20 percent of the amount determined by subtracting the combined federal adjusted
21 basis of all depreciated or amortized assets as of the last day of the taxable year
22 beginning in 2013 that are also being depreciated or amortized for Wisconsin from
23 the combined Wisconsin adjusted basis of those assets on the same day.”.

24 ***b0012/P5.9*676.** Page 695, line 19: after that line insert:

1 ***b0012/P5.9*SECTION 1390b.** 71.28 (3h) (b) of the statutes is amended to
2 read:

3 71.28 (3h) (b) *Filing claims.* Subject to the limitations provided in this
4 subsection, for taxable years beginning after December 31, 2011, and before January
5 1, ~~2015~~ 2014, for a claimant who produces at least 2,500,000 gallons of biodiesel fuel
6 in this state in the taxable year, a claimant may claim as a credit against the tax
7 imposed under s. 71.23, up to the amount of the tax, an amount that is equal to the
8 number of gallons of biodiesel fuel produced by the claimant in this state in the
9 taxable year multiplied by 10 cents.

10 ***b0012/P5.9*SECTION 1390c.** 71.28 (3h) (d) of the statutes is renumbered
11 71.28 (3h) (d) 1.

12 ***b0012/P5.9*SECTION 1390d.** 71.28 (3h) (d) 2. of the statutes is created to read:
13 71.28 (3h) (d) 2. No credit may be claimed under this subsection for taxable
14 years beginning after December 31, 2013. Credits under this subsection for taxable
15 years that begin before January 1, 2014, may be carried forward to taxable years that
16 begin after December 31, 2013.

17 ***b0012/P5.9*SECTION 1390e.** 71.28 (3n) (a) 2. (intro.) of the statutes is
18 amended to read:

19 71.28 (3n) (a) 2. (intro.) “Dairy farm modernization or expansion” means the
20 construction, the improvement, or the acquisition of buildings or facilities, or
21 acquiring equipment, for dairy animal housing, confinement, animal feeding, milk
22 production, or waste management, including the following, if used exclusively
23 related to dairy animals and if acquired and placed in service in this state during
24 taxable years that begin after December 31, 2003, and before January 1, ~~2017~~ 2014:

1 ***b0012/P5.9*SECTION 1390f.** 71.28 (3n) (a) 5. (intro.) of the statutes is
2 amended to read:

3 71.28 (3n) (a) 5. (intro.) “Livestock farm modernization or expansion” means
4 the construction, the improvement, or the acquisition of buildings or facilities, or the
5 acquisition of equipment, for livestock housing, confinement, feeding, or waste
6 management, including the following, if used exclusively related to livestock and if
7 acquired and placed in service in this state during taxable years that begin after
8 December 31, 2005, and before January 1, ~~2017~~ 2014:

9 ***b0012/P5.9*SECTION 1390g.** 71.28 (3n) (a) 6. b. of the statutes is amended to
10 read:

11 71.28 (3n) (a) 6. b. For taxable years that begin after December 31, 2005, and
12 before January 1, ~~2017~~ 2014, “used exclusively,” related to livestock, dairy animals,
13 or both, means used to the exclusion of all other uses except for use not exceeding 5
14 percent of total use.

15 ***b0012/P5.9*SECTION 1390h.** 71.28 (3n) (b) 1. of the statutes is amended to
16 read:

17 71.28 (3n) (b) 1. Subject to the limitations provided in this subsection, for
18 taxable years that begin after December 31, 2003, and before January 1, ~~2017~~ 2014,
19 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
20 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
21 modernization or expansion related to the operation of the claimant’s dairy farm.

22 ***b0012/P5.9*SECTION 1390i.** 71.28 (3n) (b) 2. of the statutes is amended to
23 read:

24 71.28 (3n) (b) 2. Subject to the limitations provided in this subsection, for
25 taxable years that begin after December 31, 2005, and before January 1, ~~2017~~ 2014,

1 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
2 equal to 10 percent of the amount the claimant paid in the taxable year for livestock
3 farm modernization or expansion related to the operation of the claimant's livestock
4 farm.

5 ***b0012/P5.9*SECTION 1390j.** 71.28 (3n) (g) of the statutes is created to read:

6 71.28 (3n) (g) No credit may be claimed under this subsection for taxable years
7 beginning after December 31, 2013. Credits under this subsection for taxable years
8 that begin before January 1, 2014, may be carried forward to taxable years that begin
9 after December 31, 2013.

10 ***b0012/P5.9*SECTION 1390k.** 71.28 (3p) (a) 3. (intro.) of the statutes is
11 amended to read:

12 71.28 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
13 means constructing, improving, or acquiring buildings or facilities, or acquiring
14 equipment, for dairy manufacturing, including the following, if used exclusively for
15 dairy manufacturing and if acquired and placed in service in this state during
16 taxable years that begin after December 31, 2006, and before January 1, ~~2015~~ 2014,
17 or, in the case of dairy cooperatives, if acquired and placed in service in this state
18 during taxable years that begin after December 31, 2008, and before January 1, ~~2017~~
19 2014:

20 ***b0012/P5.9*SECTION 1390L.** 71.28 (3p) (b) of the statutes is amended to read:

21 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
22 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
23 for taxable years beginning after December 31, 2006, and before January 1, ~~2015~~
24 2014, a claimant may claim as a credit against the taxes imposed under s. 71.23, up
25 to the amount of the tax, an amount equal to 10 percent of the amount the claimant

1 paid in the taxable year for dairy manufacturing modernization or expansion related
2 to the claimant's dairy manufacturing operation.

3 *b0012/P5.9*SECTION 1390m. 71.28 (3p) (c) 5. of the statutes is amended to
4 read:

5 71.28 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
6 the credit in the year after the year in which the dairy manufacturing modernization
7 or expansion occurs, based on amounts described under par. (b) that are paid by the
8 dairy cooperative, for taxable years beginning after December 31, 2008, and before
9 January 1, 2018 2014. The amount of the credits computed and not passed through
10 by a partnership, limited liability company, or tax-option corporation that has added
11 that amount to the partnership's, company's, or tax-option corporation's income
12 under s. 71.21 (4) or 71.34 (1k) (g) shall be added to a claimant's income in the year
13 in which the cooperative member is allowed to claim the credit.

14 *b0012/P5.9*SECTION 1390n. 71.28 (3p) (d) 4. of the statutes is created to read:
15 71.28 (3p) (d) 4. No credit may be claimed under this subsection for taxable
16 years beginning after December 31, 2013.

17 *b0012/P5.9*SECTION 1390p. 71.28 (3r) (a) 3. (intro.) of the statutes is
18 amended to read:

19 71.28 (3r) (a) 3. (intro.) "Meat processing modernization or expansion" means
20 constructing, improving, or acquiring buildings or facilities, or acquiring equipment,
21 for meat processing, including the following, if used exclusively for meat processing
22 and if acquired and placed in service in this state during taxable years that begin
23 after December 31, 2008, and before January 1, 2017 2014:

24 *b0012/P5.9*SECTION 1390q. 71.28 (3r) (b) of the statutes is amended to read:

1 71.28 (3r) (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. 93.545 or s. 560.208, 2009 stats., for taxable years beginning after
3 December 31, 2008, and before January 1, 2017 2014, a claimant may claim as a
4 credit against the taxes imposed under s. 71.23, up to the amount of the tax, an
5 amount equal to 10 percent of the amount the claimant paid in the taxable year for
6 meat processing modernization or expansion related to the claimant's meat
7 processing operation.

8 ***b0012/P5.9*SECTION 1390r.** 71.28 (3r) (d) 3. of the statutes is created to read:

9 71.28 (3r) (d) 3. No credit may be claimed under this subsection for taxable
10 years beginning after December 31, 2013.

11 ***b0012/P5.9*SECTION 1390rd.** 71.28 (3rm) (b) of the statutes is amended to
12 read:

13 71.28 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
14 subsection and s. 93.547 or s. 560.209, 2009 stats., for taxable years beginning after
15 December 31, 2009, and before January 1, 2016 2015, a claimant may claim as a
16 credit against the taxes imposed under s. 71.23, up to the amount of the tax, an
17 amount equal to 10 percent of the amount the claimant paid in the taxable year for
18 equipment that is used primarily to harvest or process woody biomass that is used
19 as fuel or as a component of fuel.

20 ***b0012/P5.9*SECTION 1390rf.** 71.28 (3rm) (d) 3. of the statutes is created to
21 read:

22 71.28 (3rm) (d) 3. No credit may be claimed under this subsection for taxable
23 years beginning after December 31, 2014.

24 ***b0012/P5.9*SECTION 1390s.** 71.28 (3rn) (a) 4. (intro.) of the statutes is
25 amended to read:

1 71.28 (3rn) (a) 4. (intro.) “Food processing plant or food warehouse
2 modernization or expansion” means constructing, improving, or acquiring buildings
3 or facilities, or acquiring equipment, for food processing or food warehousing,
4 including the following, if used exclusively for food processing or food warehousing
5 and if acquired and placed in service in this state during taxable years that begin
6 after December 31, 2009, and before January 1, ~~2017~~ 2014:

7 ***b0012/P5.9*SECTION 1390t.** 71.28 (3rn) (b) of the statutes is amended to read:

8 71.28 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
9 subsection and s. 93.54 or s. 560.2056, 2009 stats., for taxable years beginning after
10 December 31, 2009, and before January 1, ~~2017~~ 2014, a claimant may claim as a
11 credit against the tax imposed under s. 71.23, up to the amount of the tax, an amount
12 equal to 10 percent of the amount the claimant paid in the taxable year for food
13 processing or food warehousing modernization or expansion related to the operation
14 of the claimant’s food processing plant or food warehouse.

15 ***b0012/P5.9*SECTION 1390u.** 71.28 (3rn) (d) 3. of the statutes is created to
16 read:

17 71.28 (3rn) (d) 3. No credit may be claimed under this subsection for taxable
18 years beginning after December 31, 2013.”.

19 ***b0012/P5.10*677.** Page 697, line 21: after that line insert:

20 ***b0012/P5.10*SECTION 1395b.** 71.28 (4m) (d) 3. of the statutes is created to
21 read:

22 71.28 (4m) (d) 3. No credit may be claimed under this subsection for taxable
23 years beginning after December 31, 2013. Credits under this subsection for taxable

1 years that begin before January 1, 2014, may be carried forward to taxable years that
2 begin after December 31, 2013.

3 *b0012/P5.10*SECTION 1395bb. 71.28 (5) (ad) 1. of the statutes is amended to
4 read:

5 71.28 (5) (ad) 1. Except as provided in subds. 2. and 3., for taxable year 1986
6 and subsequent for taxable years that begin before January 1, 2014, any corporation
7 may credit against taxes otherwise due under this chapter an amount equal to 5
8 percent of the amount paid or incurred by that corporation during the taxable year
9 to construct and equip new facilities or expand existing facilities used in this state
10 for qualified research, as defined in section 41 of the Internal Revenue Code. Eligible
11 amounts include only amounts paid or incurred for tangible, depreciable property
12 but do not include amounts paid or incurred for replacement property.

13 *b0012/P5.10*SECTION 1395bc. 71.28 (5) (ad) 2. of the statutes is amended to
14 read:

15 71.28 (5) (ad) 2. For taxable years beginning after June 30, 2007, and before
16 January 1, 2014, any corporation may credit against taxes otherwise due under this
17 chapter an amount equal to 10 percent of the amount paid or incurred by that
18 corporation during the taxable year to construct and equip new facilities or expand
19 existing facilities used in this state for qualified research, as defined in section 41 of
20 the Internal Revenue Code, except that “qualified research expenses” includes only
21 expenses paid or incurred by the claimant for research related to designing internal
22 combustion engines for vehicles, including expenses related to designing vehicles
23 that are powered by such engines and improving production processes for such
24 engines and vehicles. Eligible amounts include only amounts paid or incurred for

1 tangible, depreciable property but do not include amounts paid or incurred for
2 replacement property.

3 ***b0012/P5.10*SECTION 1395bd.** 71.28 (5) (ad) 3. of the statutes is amended to
4 read:

5 71.28 (5) (ad) 3. For taxable years beginning after June 30, 2007, and before
6 January 1, 2014, any corporation may credit against taxes otherwise due under this
7 chapter an amount equal to 10 percent of the amount paid or incurred by that
8 corporation during the taxable year to construct and equip new facilities or expand
9 existing facilities used in this state for qualified research, as defined in section 41 of
10 the Internal Revenue Code, except that “qualified research expenses” includes only
11 expenses paid or incurred by the claimant for research related to the design and
12 manufacturing of energy efficient lighting systems, building automation and control
13 systems, or automotive batteries for use in hybrid–electric vehicles, that reduce the
14 demand for natural gas or electricity or improve the efficiency of its use. Eligible
15 amounts include only amounts paid or incurred for tangible, depreciable property
16 but do not include amounts paid or incurred for replacement property.

17 ***b0012/P5.10*SECTION 1395be.** 71.28 (5) (c) of the statutes is created to read:

18 71.28 (5) (c) *Sunset.* No credit may be claimed under this subsection for taxable
19 years beginning after December 31, 2013. Credits under this subsection for taxable
20 years that begin before January 1, 2014, may be carried forward to taxable years that
21 begin after December 31, 2013.

22 ***b0012/P5.10*SECTION 1395c.** 71.28 (5e) (d) of the statutes is renumbered
23 71.28 (5e) (d) 1.

24 ***b0012/P5.10*SECTION 1395d.** 71.28 (5e) (d) 2. of the statutes is created to
25 read:

1 71.28 (5e) (d) 2. No credit may be claimed under this subsection for taxable
2 years beginning after December 31, 2013. Credits under this subsection for taxable
3 years that begin before January 1, 2014, may be carried forward to taxable years that
4 begin after December 31, 2013.

5 ***b0012/P5.10*SECTION 1395e.** 71.28 (5f) (d) 3. of the statutes is created to
6 read:

7 71.28 (5f) (d) 3. No credit may be claimed under this subsection for taxable
8 years beginning after December 31, 2013.

9 ***b0012/P5.10*SECTION 1395f.** 71.28 (5g) (d) of the statutes is renumbered
10 71.28 (5g) (d) 1.

11 ***b0012/P5.10*SECTION 1395g.** 71.28 (5g) (d) 2. of the statutes is created to
12 read:

13 71.28 (5g) (d) 2. No credit may be claimed under this subsection for taxable
14 years beginning after December 31, 2013. Credits under this subsection for taxable
15 years that begin before January 1, 2014, may be carried forward to taxable years that
16 begin after December 31, 2013.

17 ***b0012/P5.10*SECTION 1395h.** 71.28 (5h) (d) 3. of the statutes is created to
18 read:

19 71.28 (5h) (d) 3. No credit may be claimed under this subsection for taxable
20 years beginning after December 31, 2013.”.

21 ***b0097/2.28*678.** Page 697, line 21: after that line insert:

22 **“*b0097/2.28*SECTION 1395c.** 71.28 (5g) (a) of the statutes is amended to read:

23 71.28 (5g) (a) *Definitions.* In this subsection, “claimant” means an insurer, as
24 defined in s. 149.10 (5), 2011 stats., who files a claim under this subsection.